



TOM TINDALL
Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

"To enrich lives through effective and caring service"

Telephone: (323) 267-2101
FAX: (323) 264-7135

March 06, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVE INTERGOVERNMENTAL CONTRACT AMENDMENT WITH
THE CALIFORNIA ENERGY COMMISSION TO IMPLEMENT
ENERGY UPGRADE CALIFORNIA ENHANCEMENTS
(3 VOTES) (ALL DISTRICTS)**

SUBJECT

Request Approval to Accept Additional Funding from the California Energy Commission (CEC) in Support of Energy Upgrade California.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Director of Internal Services Department (ISD) or his designee to execute an amendment to the Intergovernmental Contract (Contract) with the CEC that provides up to \$8.0 million in Energy Efficiency and Conservation Block Grant (EECBG) funds to administer and implement innovative financing options for property owners and contractors throughout the County and other parts of the State. The Contract will be effective upon execution through June 2017.
2. Find that approval of these actions is categorically exempt pursuant to the provisions of the California Environmental Quality Act (CEQA).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In September 2009, your Board approved the creation of the County Office of Sustainability within ISD to respond to legislation, regulation, and policy related to climate change, and to coordinate energy efficiency, conservation, and sustainability programs within the County and the region. Subsequently, your Board directed ISD to represent the County in applying for American Recovery and Reinvestment Act (ARRA) grants administered through the Department of Energy (DOE) and State energy agencies. As a result, ISD has received and is currently administering the following grants:

- \$15.4 million from the formula-allocated Energy Efficiency and Conservation Block Grant (EECBG) program;
- \$9.2 million from the California Energy Commission (CEC) Energy Efficiency and Conservation Block Grant program;
- \$14 million from the \$30 million Competitive Energy Efficiency and Conservation Block Grant, termed Better Buildings Program (BBP), awarded to the County and three other California regional entities.

Much of these grant funds have been designated to develop, implement, and administer Energy Upgrade California in Los Angeles County (EUCLA), a public-facing energy efficiency program that provides homeowners with education, rebates and financing to offset the cost of energy efficiency upgrades to their homes. The County is working with the local investor-owned and public utilities, Councils of Government and individual cities within the County, workforce development entities, contractors, and other stakeholder groups to ensure the success of EUCLA. ISD oversees marketing, public outreach, participant recruitment, workforce development, and incentive and financing administration efforts associated with EUCLA.

The proposed amendment to the current Contract would provide up to \$8.0 million to the County to enhance and develop innovative financing options in support of EUCLA and similar programs in other jurisdictions. The funding would be targeted to financing support in the following programs:

- Increase Loan Loss Reserves (LLR) for the EUCLA Residential Financing Program. LLR provides lender funding for delinquent homeowner payments on EUCLA loans.
- Increase Reserves for EUCLA Residential Interest Rate Buy Down (IRBD) Program. IRBD reserves are used to provide lower financing rates for participating EUCLA homeowners.
- Provide LLR for Los Angeles County Non-Residential Property Assessed Clean Energy (PACE) Program. PACE programs allow private property owners to install qualified energy and other efficiency measures to their buildings, and pay for the cost of such improvements through an annual assessment collected on their property tax bills. LLR provides similar security to Los Angeles County PACE financiers for non-residential property owners.
- Provide LLR for EUCLA Multifamily Financing Program. LLR provides similar security for an EUCLA pilot program to develop Multifamily energy project financing.

- Increase EUCLA Contractor Revolving Loan Fund (RLF). RLF provides zero-interest loans to contractors to offset EUCLA business start-up and expansion costs.
- Implement statewide adoption and implementation of the CEC's Home Energy Rating System (HERS II) through utilization of ARRA-created financing programs. HERS II is the CEC's home energy rating tool and is anticipated to be the State's standard for formally rating the energy efficiency level for all homes.

The budget under the County's current Contract will be increased by up to \$8 million, of which at least \$3 million will be used for the County financing programs described above. The remaining \$5.0 million in funding may be used by the County to manage and administer financing enhancements for other jurisdictions in the State who have developed, or are developing, similar programs using ARRA funding.

ISD will administer funding of these other programs similar to the sub-contractor processes established under the \$30 million DOE-BBP statewide grant, which ISD manages on behalf of the County, the Association of Bay Area Governments, Sacramento Municipal Utility District and the California Center for Sustainable Energy (representing San Diego region jurisdictions).

Implementation of Strategic Plan Goals

These actions support Goal 1, Operational Effectiveness, by obtaining external funding to promote environmentally responsible practices. These actions also support Goal 3, Community and Municipal Services, by providing a program that promotes energy efficiency and conservation, and enhances health and sustainable practices in the County.

FISCAL IMPACT/FINANCING

Due to lower-than-expected utilities expenditures, ISD's Fiscal Year (FY) 2011-12 Utilities Budget has sufficient available appropriation for anticipated grant expenditures during the remainder of the fiscal year. For grant-funded expenditures that continue in FY 2012-13, ISD will include sufficient appropriation in its FY 2012-13 Final Changes budget request.

There will be no impact to net County cost. Requests for activities beyond FY 2012-13 will be submitted with ISD's annual Utilities budget request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On April 22, 2010, ISD was notified by the CEC of its intention to award an intergovernmental contract through the Department of General Services in the amount of \$8 million to the County to expand EUCLA marketing, education, outreach and workforce development activities to other cities in the County. The intergovernmental contract was awarded under a sole source statutory exemption using non-State Energy Program EECBG funds. On June 10, 2010, your Board delegated authority to the Director of ISD to execute all required documents and to subsequently approve any required time extensions, modifications, or amendments to the contract with the CEC.

In July 2011, CEC amended that contract to provide an additional \$1.2 million to support EUCLA further by developing more comprehensive marketing efforts into cities throughout the County through collaboration with the Councils of Governments and directly with local governments. These funds also support various workforce development efforts, including expanding a contractor scholarship program and establishing a revolving loan fund for EUCLA contractors which would offset the cost of employee training and equipment purchases. This funding was approved in the Utilities FY 2011-12 Final Adopted budget.

This latest amendment term will be valid through June of 2017. The use of funds for financing programs, especially for LLR and RLF, are unique in that the funds are replenished as loans are paid off and can be used for future loans well beyond the term of the ARRA grants. In the case of IRBD, the funds are utilized over the life of the individual loans (5 to 15 years) and similarly beyond the term of the ARRA grants. The latest amendment ensures that the CEC can still enforce the DOE requirements for these financing programs beyond the current term of the Contract and add contingency language ensure all Contract funds are spent effectively and within the interests of the DOE ARRA program even after the term of the ARRA grants.

At its meeting of February 8, 2012, the CEC Commissioners approved the proposed amendment to the existing ARRA funding agreement with the County to add up to \$8.0 million in additional funding for the purposes described above and identified in the following attachments:

- Attachment 1: State of California Resolution 12-0208-08.
- Attachment 2: The Standard Agreement Amendment signature page.
- Attachment 3: The Contract amendment scope of work.

The terms and conditions of the Contract amendment will become part of the current CEC Contract and have been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The project meets the criteria set forth in Section 15308 of the State CEQA Guidelines and Class 8 of the County's Environmental Document Reporting Procedures and Guidelines, Appendix G, in that it is an action taken by a regulatory agency, as authorized by state law, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for protection of the environment.

The project is within a class of projects that has been determined not to have a significant effect on the environment. In addition, there are no cumulative impacts, unusual circumstances, or other limiting factors that would make the exemption inapplicable based on the project records. Upon approval by your Board, ISD will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the State CEQA Guidelines.

CONTRACTING PROCESS

This sole source intergovernmental contract amendment will be negotiated by ISD and CEC to define the scope of work and deliverables for the administration and implement innovative financing and incentive options for energy efficiency retrofit projects.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of these actions will facilitate widespread implementation of EUCLA to reduce greenhouse gases, reduce total energy use and improve energy efficiency throughout the County in a cohesive and comprehensive manner. Use of these additional funds will help in expanding EUCLA and similar programs throughout the State and will help the State achieve its goal of creating substantial, sustainable, and measurable energy savings, green jobs and economic stimulus benefits.

CONCLUSION

The Executive Office of the Board of Supervisors is requested to return one stamped copy of the approved Board letter to the Director of ISD.

Respectfully submitted,

A handwritten signature in dark ink that reads "Tom Tindall". The signature is written in a cursive, flowing style.

TOM TINDALL

Director

TT:HC:AR

Enclosures

- c: Chief Executive Officer
- Deputy Chief Executive Officer
- Executive Officer, Board of Supervisors
- County Counsel
- Treasurer and Tax Collector

STATE OF CALIFORNIA

STATE ENERGY RESOURCES
CONSERVATION AND DEVELOPMENT COMMISSION

RESOLUTION - RE: COUNTY OF LOS ANGELES INTERNAL SERVICES
DEPARTMENT

RESOLVED, that the State Energy Resources Conservation and Development Commission (Energy Commission) approves Possible approval of Amendment 3 to Contract 400-09-024 to add up to \$8 million in spending authority contingent on funding availability and program performance for innovative financing options such as Residential Loan Loss Reserve Financing, Residential Interest Rate Buy Down Reserve Financing, Non-Residential PACE Loan Loss Reserve Financing, Multifamily Loan Loss Reserve Financing, and a Contractor Scholarship Revolving Loan Fund. The amendment will also ensure that the Energy Commission can still enforce the DOE requirements for these financing programs beyond the current term of the Agreement and add contingency language to make sure all contract funds are spent effectively. Revisions will be made to the statement of work, budget, and terms and conditions. (ARRA funding).

FURTHER BE IT RESOLVED, that this document authorizes the Executive Director to execute the same on behalf of the Energy Commission.

CERTIFICATION

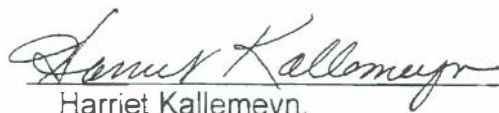
The undersigned Secretariat to the Commission does hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted at a meeting of the California Energy Commission held on February 8, 2012.

AYE: Weisenmiller, Douglas, Peterman

NAY: None

ABSENT: None

ABSTAIN: None


Harriet Kallemeyn,
Secretariat

STANDARD AGREEMENT AMENDMENT

STD 213 A (Rev 6/03)

☐ CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED _____ Pages

AGREEMENT NUMBER 400-09-024	AMENDMENT NUMBER 3
REGISTRATION NUMBER	

1. This Agreement is entered into between the State Agency and Contractor named below:

STATE AGENCY'S NAME

State Energy Resources Conservation and Development Commission (Energy Commission)

CONTRACTOR'S NAME

County of Los Angeles Internal Services Department

2. The term of this Agreement is
- June 30, 2010**
- through
- March 31, 2017**

3. The maximum amount of this
- \$24,200,00.00**
- Total Agreement Amount [Amendment Amount \$8,000,000.00]
-
- Agreement after this amendment is:

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The purpose of this amendment is 1) extend the contract term by five years to March 31, 2017; 2) add up to \$8 million in spending authority, and; 3) revise the Statement of Work and Budget for the post April 30, 2012 administration and management of the financing programs included in this contract reallocation.

Standard Agreement #400-09-024, dated August 25, 2010 (DGS approval date), between the Energy Commission and County of Los Angeles Internal Services Department is hereby amended as follows:

Work Ending 4/30/12

- A. Exhibit A, Scope of Work, pages 1-22 of 31, Amendment #2 dated 01/11/12, is replaced with attached Exhibit A, Scope of Work, pages 1-25 of 34, dated 02/08/12.
- B. Exhibit A, Att A-1, Schedule of Deliverables, pages 1 through 4, Amendment #2 dated 01/11/12, is replaced with Exhibit A, Att A-1, Schedule of Deliverables, pages 1 through 4, dated 02/08/12.
- C. Exhibit B, Budget Detail and Payment Provisions, Amendment #1, dated 06/15/11, is replaced with Exhibit B, Budget Detail and Payment Provisions, dated 02/08/12.
- D. Exhibit B, Att B-1 Summary, Att B-2 Prime ARRA and Att B-5 Proj Oper Expenses, Amendment #2, dated 01/11/12, are replaced with Exhibit B, Att B-1 Summary, Att B-2 Prime ARRA and Att B-5 Proj Oper Expenses, dated 02/08/12.

Work Post 4/30/12

- E. Exhibit A, Scope of Work, dated 05/01/12, is hereby added to this agreement, effective 5/01/12.
- F. Exhibit A, Att A-1 Schedule of Deliverables, dated 05/01/12, is hereby added to this agreement, effective 05/01/12.
- G. Exhibit B, Att B-1 through Att B-6, dated 05/01/12, are hereby added to this agreement, effective 05/01/12.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR

CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)

L.A. County

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Tom Tindall Director

ADDRESS

1100 Eastern Ave Los Angeles, CA 90063**STATE OF CALIFORNIA**

AGENCY NAME

State Energy Resources Conservation and Development Commission

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

Rachel Grant Kiley, Manager, Contracts, Grants and Loans Office

ADDRESS

1516 Ninth Street, Sacramento, CA 95814

CALIFORNIA
Department of General Services
Use Only

☐ Exempt per:

Exhibit A
SCOPE OF WORK

This Scope of Work is effective beginning June 14, 2012, unless prior written approval to switch to it earlier is provided by the Commission Contract Manager.

TECHNICAL TASK LIST

Task #	Task Name
1	Administration
1.1	Progress Reports
1.2	CPR Meetings
1.3	Identify and Obtain Leverage Funds
1.4	Identify and Obtain Required Permits
1.5	Electronic File Format
1.6	Prevailing Wage Determination/Payroll
1.7	Historic Preservation
1.8	Waste Management
2	Technical Tasks
2.1	Innovative financing options

KEY NAME LIST

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
1			
1.1	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.2	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.3	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.4	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.5	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.6	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.7	Howard Choy, Ana		

Task #	Key Personnel	Key Subcontractor(s)	Key Partner(s)
	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
1.8	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		
2.1	Howard Choy, Ana <u>Rosales</u> , Melinda Barrett		

ACRONYMS

Specific terms and acronyms used throughout this work statement are defined as follows:

Acronym	Definition
ARRA	American Recovery and Reinvestment Act
CCM	Commission Contract Manager
COGs	Councils of Governments
CPR	Critical Project Review
LLR	Loan Loss Reserve
MLS	Multiple Listing Services
MOU	Memorandum of Understanding
PAC	Project Advisory Committee
PACE	Property Assessed Clean Energy financing
QA	Quality Assurance
RLF	Revolving Loan Fund
UCC.1	Uniform Commercial Code (Financing Statement)

DEFINITIONS

The following definitions apply throughout this Agreement:

“Contractor” means the entity that receives funding directly from the Energy Commission under this Agreement. The Contractor is defined as a “subrecipient” under Federal law (see Office of Management and Budget (OMB) Circular A-133, Subpart A, Section .105 and Subpart B, Section .210).

“Subaward” means an award made by the Contractor to a subawardee or vendor.

“Subawardee” means any entity other than a vendor that receives funding from the Contractor to carry out or support any portion of this Agreement.

“Subcontractor” means a subawardee or vendor.

“Vendor” means any entity defined as such by OMB Circular A-133 (see Subpart A, Section .105 and Subpart B, Section .210).

Problem Statement

The California Energy Commission (Energy Commission) is implementing multiple strategies to promote energy efficiency statewide, including the implementation as a regional priority a comprehensive energy efficiency retrofit program for existing buildings. Comprehensive residential and non-residential energy efficiency retrofit projects are proven to reduce energy consumption, dependence on fossil fuels, and greenhouse gas (GHG) emissions. The Energy Commission has received ARRA funding to advance these goals and to stimulate the economy. A critical strategy of the Energy Commission is to ensure that at the regional level, local communities have the capacity, expertise and leadership to implement current and anticipated energy efficiency retrofit programs. This program is designed to meet the economic and demographic diversity of the County that comprises 27% of California’s population.

Goals and Objectives of the Agreement

The goals of this program mirror those of the American Recovery and Reinvestment Act of 2009 (ARRA): (a) **energy savings**, (b) **job creation/ preservation**, and (c) **economic recovery**. The proposed program has been designed to create jobs and stimulate the economy through a comprehensive program to implement energy retrofits in existing residential buildings.

The objectives of this agreement are to:

1. Establish financing options to support energy efficiency retrofit projects for residential and non-residential applications and support financing options for contractors to offset the costs of trainings, certification expenses, and the purchasing of equipment
2. Create jobs and enhance the economy in the County of Los Angeles. These jobs should mostly be for local construction, energy efficiency measure installation, and quality assurance verification.

TASK 1.0 ADMINISTRATION

REPORTING

Subtask 1.1 Progress Reports

The goal of this task is to periodically verify that satisfactory and continued progress is made towards achieving the objectives of this Agreement.

At the time of executing the amendment that added this task, it was unknown exactly what reporting requirements the Department of Energy would require for ongoing financing programs. To ease the burden of both parties in reacting to such changes, it is agreed that the parties can change this section through the Letter of Agreement process set forth in Exhibit D.

The Contractor shall:

- Prepare a quarterly written progress report for the Commission Agreement Manager's approval which summarize all Agreement activities conducted by the Contractor for the reporting period.
- Prepare a quarterly budget report for the Commission Agreement Manager's approval which summarize all revenues and expenditures.
- Prepare draft and final annual reports which summarize all Agreement activities conducted by the Contractor for the year in question. The final annual report is due January 31st of the year following the reporting period.
- Prepare any required federal reports.

Contractor Deliverables:

- Quarterly Progress Reports
- Draft and Final Annual Reports
- Required Federal Reporting

Commission Contract Manager Deliverables:

- Commission Agreement Manager Approval of Contractor Deliverables

Subtask 1.2 CPR Meetings

The goal of this task is to determine if the project should continue to receive Energy Commission funding to complete this Agreement and if it should, are there any modifications that need to be made to the tasks, deliverables, schedule or budget.

CPRs provide the opportunity for frank discussions between the Energy Commission and the Contractor. CPRs may be initiated by either the Commission Agreement Manager or the Contractor.

Participants include the Commission Agreement Manager and the Contractor, and may include the Commission Contracts Officer, other Energy Commission staff and

Management as well as other individuals selected by the Commission Contract Manager to provide support to the Energy Commission.

The Commission Contract Manager shall:

- Determine the location, date and time of each CPR meeting with the Contractor. These meetings generally take place at the Energy Commission, but they may take place at another location.
- Send the Contractor the agenda and a list of expected participants in advance of each CPR. If applicable, the agenda shall include a discussion on both leverage funding and permits.
- Conduct and make a record of each CPR meeting. One of the outcomes of this meeting will be a schedule for providing the written determination described below.
- Determine whether to continue the project, and if continuing, whether or not to modify the tasks, schedule, deliverables and budget for the remainder of the Agreement, including not proceeding with one or more tasks. If the Commission Contract Manager concludes that satisfactory progress is not being made, this conclusion will be referred to the Energy Commission's Executive Director for concurrence.

Provide the Contractor with a written determination in accordance with the schedule. The written response may include a requirement for the Contractor to revise one or more deliverable(s) that were included in the CPR. The written determination may also include the Energy Commission decision on the amount of ARRA funds to encumber into the Agreement.

The Contractor shall:

- Prepare a CPR Report for that discusses the critical program issue(s) that precipitated initiating the CPR meeting. This report shall include recommendations and conclusions regarding continued work of the projects. Submit these documents to the Commission Contract Manager and any other designated reviewers at least 5 working days in advance of each CPR meeting.
- Present the required information at each CPR meeting and participate in a discussion about the Agreement.

Contractor Deliverables:

- CPR Report(s)
- CPR meeting

Commission Contract Manager Deliverables:

- Written Determination

LEVERAGE FUNDS, PERMITS, AND ELECTRONIC FILE FORMAT

Subtask 1.3 Identify and Obtain Leverage Funds

The goal of this task is to ensure that the leverage funds planned for this Agreement are obtained for and applied to this Agreement during the term of this Agreement.

The costs to obtain and document leverage fund commitments are not reimbursable through this Agreement. While the budget for this task will be zero dollars, the Contractor may utilize leverage funds for this task. Leverage funds shall be spent concurrently or in advance of ARRA funds during the term of this Agreement. Leverage funds must be identified in writing, and the associated commitments obtained before the Contractor can incur any costs for which the Contractor will request reimbursement.

The Contractor shall:

- Seek such leverage funds as may be available to further the goal, objectives and tasks of this agreement.

Contractor Deliverables:

- Report quarterly on any leveraged funds expended to further this scope of work.

Subtask 1.4 Identify and Obtain Required Permits

The goal of this task is to obtain all permits required for work completed under this Agreement in advance of the date they are needed to keep the Agreement schedule on track.

Permit costs and the expenses associated with obtaining permits are not reimbursable under this Agreement. While the budget for this task will be zero dollars, the Contractor shall show any leverage funds used for this task. Permits must be identified in writing and obtained before the Contractor can incur any costs related to the use of the permits for which the Contractor will request reimbursement.

The Contractor shall:

- Obtain evidence that all necessary permits have been obtained before providing any final financing commitment.

Contractor Deliverables:

- Documentation maintained in all financing files evincing proper permits were obtained.

Subtask 1.5 Electronic File Format

The goal of this task is to unify the formats of electronic data and documents provided to the Energy Commission as contract deliverables. Another goal is to establish the computer platforms, operating systems and software that will be required to review and approve all software deliverables.

The Contractor shall:

- Deliver documents to the Commission Contract Manager in the following formats:
 - Data sets shall be in Microsoft (MS) Access MS Excel file, or Comma Separated Value (CSV) format.
 - PC-based text documents shall be in MS Word file format.
 - Documents intended for public distribution shall be in PDF file format, with the native file format provided as well.
 - Project management documents shall be in MS Project file format.
 - Websites shall be developed using HTML 4.0 and CSS 3.0, and will meet WCAG (Web Content Accessibility Guidelines), Version 2, Level A.
- Request exemptions to the electronic file format in writing at least 90 days before the deliverable is submitted.

Contractor Deliverables:

- A letter requesting exemption from the Electronic File Format (if applicable)

Commission Contract Manager Deliverables:

- Commission Contract Manager Approval of Contractor Deliverables

FEDERAL REQUIREMENTS**Subtask 1.6 Prevailing Wage Determinations and Weekly Certified Payrolls**

(Applicable only if the Contractor or subcontractors will perform or subsidize installation work, as in the case of a revolving loan fund. This is not applicable to loan loss reserves.)

The goal of this task is to ensure that the Contractor and subcontractors pay prevailing wage rates and submit weekly certified payrolls for all workers that perform labor and mechanic work to achieve the goals and objectives of this Agreement. This requirement applies to subcontracts paid for entirely with cost share funds.

The Contractor shall:

- Submit to the CCM a copy of applicable wage determinations for any and all labor and mechanic work that will be performed to achieve the goals and objectives of this Agreement (including any subcontract) within thirty (30) days of execution of this Agreement. If subcontractors will perform labor and mechanic work, the Contractor must submit a copy of applicable wage determinations to the CCM within thirty (30) days of execution of the subcontracts.
- Submit to the Energy Commission on a weekly basis a copy of all certified payrolls by the Contractor and subcontractors of any tier performing labor and mechanic work to achieve the objectives of this Agreement. Exhibit E, Section 2.M of this Agreement (Davis-Bacon Act and Contract Work Hours and Safety Standards Act) provides the required specifications for certified payrolls.

Deliverables:

- Copies of Applicable Wage Determinations
- Weekly Certified Payrolls

Subtask 1.7 Historic Preservation Consultation

(Applicable only if the Contractor or subcontractors will perform or subsidize installation work, as in the case of a revolving loan fund. This is not applicable to loan loss reserves.)

The goal of this task is to ensure that the Contractor complies with the requirements of Section 106 of the National Historic Preservation Act (NHPA) prior to expenditure of ARRA funds under this Agreement to alter any structure or site. The Energy Commission has executed a Programmatic Agreement with the California State Historic Preservation Officer (SHPO) to streamline the Section 106 consultation process. Under the Programmatic Agreement, the Energy Commission will evaluate projects to determine whether they are categorically excluded from the SHPO's direct review and consultation.

The Contractor shall:

- Consult with the Energy Commission (and with the SHPO and the Tribal Historic Preservation Officer, if applicable) to ensure that the proposed project(s) will have no adverse effects on historic resources.
- Prepare a Consultation Package as specified by the Energy Commission no later than thirty (30) days after the execution of this Agreement or the identification of the project structure(s) or site(s) to be retrofitted under the Agreement, whichever is later. The Energy Commission may specify an earlier time for submittal of the Consultation Package if retrofit work is expected to begin within less than thirty (30) days of project identification.

Deliverables:

- Consultation Package

Subtask 1.8 Waste Management Plan

(Applicable only if the Contractor or subcontractors will perform or subsidize installation work, as in the case of a revolving loan fund. This is not applicable to loan loss reserves.)

The goal of this task is to ensure that the Contractor submits a Waste Management Plan to the CCM prior to expenditure of ARRA funds under this Agreement on proposed project activities that may generate any sanitary or hazardous waste. The Waste Management Plan must describe the Contractor's plan to dispose of any sanitary or hazardous waste generated by any proposed project activities. Sanitary and hazardous waste includes, but is not limited to: construction and demolition debris, old light bulbs, fluorescent ballasts and lamps, piping, roofing material, discarded equipment, debris, and asbestos. The Waste Management Plan must also describe the categories and estimated volumes of waste that the Contractor anticipates will be generated by any proposed project activities, and the disposal path for each category of waste.

The plan must comply with all federal, state, and local laws and regulations governing

waste disposal.

The Contractor shall:

- Submit to the CCM a Waste Management Plan for each project no later than thirty (30) days after the execution of the Agreement or the identification of any projects that may generate waste, whichever is later. The Energy Commission may specify an earlier time for submittal of the Waste Management Plan if retrofit work is expected to begin within less than thirty (30) days of project identification.

Deliverables:

Waste Management Plan

TECHNICAL TASKS

Unless otherwise provided in the individual Task, the Contractor shall prepare all deliverables in accordance with the requirements in Task 1.1-1.8.

Task 2 Program Delivery

Subtask 2.1 Innovative Financing and Incentive Options

The goal of this task is to administer innovative financing and incentive options for property owners and contractors in the County of Los Angeles. These options may include, but are not limited to:

1. Residential loan loss reserve financing
2. Residential Interest Rate Buy Down Reserve Financing
3. Non-Residential PACE Loan Loss Reserve Financing
4. Multifamily Loan Loss Reserve Financing
5. Contractor Scholarship Revolving Loan Fund
6. HERS Rating and Audit Incentives

Prior to any funding under this agreement being obligated for financing, the Contractor must submit a Financing Option Memo to the Energy Commission Contract Manager (CCM) outlining the terms of the proposed financing program (including but not limited to the total amount requested for the option, interest rate, payback period, possible service fees, eligibility requirements, and underwriting criteria). Prior to any funding under this agreement being obligated for HERS Ratings or Audits, the contractor must submit a HERS Incentive Memo outlining the terms of the proposed HERS rating and audit incentives (including but not limited to the total amount requested for the incentives, amount of each incentive, and eligibility requirements). The memo(s) can only be effective after the Contractor has obtained written confirmation from the CCM.

The Contractor shall:

- Develop program scale and procedures and present options within a Financing Option Memo
- Conduct an underwriting review of proposed projects and scholarships for cost effectiveness compliance with the State Energy Program guidelines and requirements, and method for demonstrating adherence to the 10% energy savings requirement before financing renewable generation projects.
- Review proposed and final scopes of work for projects to assure consistency with the goals and requirements of the State Energy Program
- Comply with any DOE or other federal and state reporting requirements applicable to the financing options developed under this Agreement. Contractor acknowledges that the Energy Commission must transmit information from the Contractor to DOE or other federal agencies as part of the obligations associated with the federal funds that support the financial options. Contractor agrees to

supply the information the Energy Commission needs in order to fulfill these requirements.

- Work cooperatively with the Energy Commission and/or its designee when this Agreement ends to transfer, as necessary, all data, documents, and legal rights, to ensure the continuity of the financing options developed under this Agreement and compliance with applicable federal and state requirements. The Contractor agrees that it will remain responsible, even beyond the end of this Agreement if necessary, for administering the financing options until this transfer is successfully made to the Energy Commission or its designee. The need for this stems from the fact that the financing options will exist longer than this Agreement. The Contractor is aware that the federal and state requirements associated with the funds for the financing options do not end just because this Agreement ends. This necessitates a transfer that does not cause a gap in compliance with these terms. This duty applies regardless of how this Agreement ends (e.g., under the termination provisions in the terms or by its own end date). Contractor agrees that its duties in this regard may include without limitation:
 - Assigning its rights under financing options to the Energy Commission or its designee;
 - Notifying the Commission of all payments received or outstanding;
 - Notifying the Commission of all efforts taken to enforce any obligations under the financing options;
 - Ensuring, if its subcontractor issues the financing options, that its subcontractors shall continue to report on the financing options to the Energy Commission in the same manner as was reported to Contractor; and
- Transferring any remaining funds, funds paid under the loans, and interest to the Energy Commission.

Contractor Deliverables (upon request of the Commission Contract Manager):

- - Agreements between LA County and fiscal agents
 - Financing Option Memo outlining terms of proposed financing programs
 - HERS Incentive Memo outlining the terms of the proposed HERS rating and audit incentives.
 - Summary energy use report for each property
 - Completed energy efficiency retrofits.
 - Final executed loan or reserve documents for all loans.
 - Up-to-date database of projects and scholarships receiving financing and incentives.
 - Transfer of data and documents as necessary when this Agreement ends